

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: EAST-CENTRAL IOWA RURAL ELECTRIC COOPERATIVE AND FAIRBANK MUNICIPAL UTILITIES	DOCKET NO. SPU-04-7
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**ORDER GRANTING PETITION FOR MODIFICATION
OF SERVICE AREA BOUNDARIES**

(Issued May 28, 2004)

On March 10, 2004, East-Central Iowa Rural Electric Cooperative (East-Central) and Fairbank Municipal Utilities (Fairbank) filed a joint petition for modification of electric service area boundaries pursuant to Iowa Code § 476.25(2) (2003). A supplement to the joint petition, which included legal descriptions of the service territory to be exchanged, was filed on May 18, 2004. No objections to the petition were filed.

East-Central and Fairbank have agreed to an exchange of service territory and request that the Utilities Board (Board) modify the service territory boundaries between the two utilities in Fayette and Buchanan counties. The following service territory is to be transferred from East-Central to Fairbank:

Commencing at the West Quarter Corner of Section 33, Township 91 North, Range 10 West of the 5th P.M., Fayette County, Iowa; Thence South along the West Line of the Southwest Quarter of said Section, 1,090 feet more or less to the centerline of an existing stream and the Point of Beginning; Thence generally East along said stream to the junction with a waterway, said junction being approximately 800 feet West of the East line of said quarter section;

Thence Southeasterly along said waterway to a point of the East line of said Southwest Quarter that is approximately 1,650 feet North of the South Quarter corner of said section; Thence South along the East line of said Southwest Quarter to the Northerly Right-of-Way line of an existing railroad; Thence Southwesterly along said Right-of-Way line to the East line of the Northwest Quarter of the Northwest Quarter of Section 4, Township 90 North, Range 10 West of the 5th P.M., Buchanan County, Iowa; Thence North along said East line to the Northeast Corner of said Quarter-Quarter Section and the Southeast Corner of the Southwest Quarter of the Southwest Quarter of said Section 33; Thence North along the East line of the Southwest Quarter of the Southwest Quarter of said Section 33; Thence West along the North line of the Southwest Quarter of the Southwest Quarter of said Section 33; Thence North along the West line of said Southwest Quarter to the Point of Beginning.

The following service territory is to be transferred from Fairbank to East-Central:

The East Half of the Southwest Quarter of Section 32, Township 91 North, Range 10 West of the 5th P.M., Fayette County, Iowa.

In support of the petition, East-Central and Fairbank state that the modification will allow Fairbank to serve the portion of a developing area within its municipal boundaries while providing East-Central with territory that will be more practical for East-Central to serve. No customers currently served by either utility are impacted.

Iowa Code § 476.25 (2003) provides in pertinent part:

Contracts between electric utilities to designate service areas and customers to be served by the electric utility or for the exchange of customers between electric utilities, when approved by the board, shall be valid and enforceable and shall be incorporated into the appropriate exclusive service areas established pursuant to subsection 1 of this section. The board shall approve a contract if it finds that the contract

will eliminate or avoid unnecessary duplication of facilities, will provide adequate electric service to all areas and customers affected, will promote the efficient and economical use and development of the electric systems of the contracting electric utilities, and is in the public interest.

The Board will grant the East-Central and Fairbank joint petition for modification of service area boundaries. East-Central and Fairbank have alleged facts that establish the proposed modification is in the public interest, will prevent unnecessary duplication of facilities, provide adequate electric service to all customers affected, and will promote the efficient and economical use of electrical systems, pursuant to Iowa Code § 476.25.

IT IS THEREFORE ORDERED:

The joint petition for modification of electric service area boundaries filed by East-Central Iowa Rural Electric Cooperative and Fairbank Municipal Utilities on March 10, 2004, as supplemented on May 18, 2004, is granted, subject to complaint or investigation.

UTILITIES BOARD

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 28th day of May, 2004.